



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0167	Title:	Generally revise off-highway vehicle laws
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Primary Sponsor:	Welborn, Jeffrey W	Status:	As Amended in Senate Committee
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$80,298	\$160,569	\$160,569	\$160,569
Revenue:				
General Fund	(\$5,575)	(\$5,575)	(\$5,575)	(\$5,575)
State Special Revenue	\$80,298	\$160,569	\$160,569	\$160,569
Net Impact-General Fund Balance:	<u><u>(\$5,575)</u></u>	<u><u>(\$5,575)</u></u>	<u><u>(\$5,575)</u></u>	<u><u>(\$5,575)</u></u>

Description of fiscal impact: HB167, as amended in the Senate committee, exempts off-highway vehicles (OHV) registered in an adjacent state from the purchase of a \$27 temporary use sticker if that state does not require users of OHV's registered in Montana to pay a fee in that state.

FISCAL ANALYSIS

Assumptions:

- Under 23-2-814, MCA, there is a \$5 fee for a nonresident off-highway vehicles (OHV) temporary-use sticker on OHVs used in Montana that are not registered in another state.
- In 2014 1,115 temporary-use stickers were purchased generating \$5,575 in revenue.
- Montana currently has reciprocity with 41 states that require OHV registration, and does not require that visitors from these states purchase temporary-use stickers.
- Currently, nine states do not require registration of OHVs and residents from these states are currently required to purchase temporary-use stickers.
- HB 167 removes reciprocity with other states except those adjacent to Montana that do not require payment of a fee for OHVs registered in Montana.
- Currently, Idaho is the only adjacent state that does not require the payment of a fee for OHVs registered in Montana.

7. Under HB 167, the fee is increased to \$27.
8. The total number of nonresidents operating OHVs in Montana is not known.
9. The level of compliance by nonresident OHV operators is not known.
10. Education of the public will occur during the first year of implementation.
11. During the first year of implementation half the estimated stickers will be sold.
12. Based on current sales, the estimated number of sticker sold on a proportionate basis is 5,947.
13. FY 2016 revenue generated from the \$27 fee is $2,974 \times \$27 = \$80,29$
14. For future years, revenue is estimated at $5,947 \times \$27 = \$160,569$
15. Under current law, the funds are deposited in the state general fund.
16. HB 167 changes the distribution of funds to the state special revenue fund of the Department of Fish, Wildlife and Parks.
17. The changes results in a decrease in revenue to the general funds and an increase to state special revenue.
18. Of the \$27 fee, \$15 is designated for expanded maintenance of trails.
19. The \$12 balance of the \$27 fee is designated to fund enforcement of OHV laws (\$2.50), for OHV education (\$6), for a commission to the license agent (\$1), to mitigate and eradicate noxious weeds (\$1.50), and for a search and rescue surcharge (\$1.00).

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses (HB2)	\$35,688	\$71,364	\$71,364	\$71,364
Grants (HB5)	\$44,610	\$89,205	\$89,205	\$89,205
TOTAL Expenditures	\$80,298	\$160,569	\$160,569	\$160,569
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$80,298	\$160,569	\$160,569	\$160,569
TOTAL Funding of Exp.	\$80,298	\$160,569	\$160,569	\$160,569
<u>Revenues:</u>				
General Fund (01)	(\$5,575)	(\$5,575)	(\$5,575)	(\$5,575)
State Special Revenue (02)	\$80,298	\$160,569	\$160,569	\$160,569
TOTAL Revenues	\$74,723	\$154,994	\$154,994	\$154,994
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$5,575)	(\$5,575)	(\$5,575)	(\$5,575)
State Special Revenue (02)	\$0	\$0	\$0	\$0

Sponsor's Initials_____
Date_____
Budget Director's Initials_____
Date